

# February, 2022

## I. HOUSING RECRUITMENT

- A. Michelle-** Preparing for Build Expo (March 16<sup>th</sup> – 17<sup>th</sup>) in Dallas. Working on marketing material and updating brochures and booth materials.
- B. Michelle-** Working with developer out of South Dakota coming into Carlsbad build affordable housing - 200 units. Currently looking for 10 to 15 acres. Will be visiting Carlsbad in March for tour and begin project.
- C. Jeff-** John, Michelle, and I met twice with brokers out of an Albuquerque firm that has been hired to handle residential developments for Carlston Ranch. They brought in a builder and a buyer they are working with on this development and basically wanted information on the Carlsbad economy and the housing market in general.

## II. WORKFORCE RECRUITMENT

- A. Michelle** –Finalizing the details on the upcoming job fair (March 2<sup>nd</sup>, 2 pm to 7pm at Pecos River Village) There are currently 7 employers registered. Working with Chamber of Commerce and NM Department of Workforce Solutions on this. Marketing efforts include radio, print and social media that reach our area plus Roswell, Albuquerque, El Paso, Pecos, Ft. Stockton, Odessa, and Midland.
- B. Michelle-** Also working on a Roundtable Discussion associated with the job fair, which will be on March 1<sup>st</sup> from 5:30 pm to 7:30 pm. There are currently 20 guests registered for this.
- C. Michelle-** Have been meeting weekly with the WIPP Human Resource Recruiters to assist with their efforts. Also connecting with other local employers providing resources and adding open positions to CDOD website.
- D. Michelle-** Hosted Permian Strategic Partnership on Monday Feb 21<sup>st</sup> meeting to introduce a new skills trade program in the Permian Basin and New Mexico. In attendance was Skillpoint Alliance, Tina Tiffany from Conoco Phillips, Nepris, Carlsbad Municipal Schools, and Mike McNair from SENMC. Funded until 2025, this program will offer low-income individuals certification programs in trades like HVAC, Plumbing, and Electrical.
- E. Jeff** – Unemployment was down to 4.1% for Eddy County in December 2021. This is down slightly from 4.6% in November. Chaves County was at 4.9% and Lea County as at 6.4%. New Mexico as a whole was 5.8%.

## II. OIL, GAS & ALTERNATE ENERGY

**A. John-** Wrote a letter of support to the Department of Energy for Project Peroxide, which is a company with at technology that treats Hydrogen Sulfide in water and air. The company is seeking a research grant from the Federal Government to move their project into a field prototype phase that they are looking to deploy in Eddy County.

**B. John-** In the Legislature, HB 6, a bill that would have hurt the oil and gas industry here failed to get to the floor and died in committee. Thanks to our members that helped us express our opposition to this bill.

**C. John-** Attended a meeting at Chevron's new office complex with Chevron Leadership and local leaders. VP Ryder Booth gave a presentation on outlook for the Permian basin. Things are looking good with growth and investment planned for next five years.

**D. Jeff –** Worked with a realty group out of Irving, TX to find a location for an industrial client. They needed 4-6 acres. I asked our CDOD members for available properties. I was informed that they put a lot under contract with one of the leads I provided. Thanks to all CDOD members for providing properties.

**E. Jeff –** Impact Power Solutions (IPS), a full service clean energy company, is putting in two solar panel farms in Eddy County. One is located on Hidalgo road, and the other is off Weleka Lane. The farms are approximately 33 and 36 acres respectively. We vetted IPS for a property owner back in August of 2021.

**F. Jeff –** Received a call from a separate solar power company looking for property. They have requested up to 50 acres. I put a search out to CDOD members and provided several contacts to the company.

## III. MEDICAL

**A. John –** Attended the Permian Strategic Partnership meeting: “Enhancing Healthcare in the Permian Basin - NM Roundtable” Leaders from local governments, medical field, the universities, and business met and discussed the needs of the Permian Basin Communities. Learned that Carlsbad Medical Center will be getting a dedicated physician in residence from Texas Tech this next year as part of the program. Also learned that PSP and TTU are seeking a grant to offer dedicated medical school spots reserved for local area students.

**B. Jeff –** Received an inquiry from an audiology and hearing physician looking for small office space in Carlsbad. I canvassed CDOD members and provided her with some leads. If you know of any small offices that might be a fit, please let me know.

## IV. MANUFACTURING

**A. Jeff –**Received a recruitment opportunity from the NM Partnership for a metal fabrication business. They requested specific site criteria which I was able to gather from CDOD members and provide.

## V. NUCLEAR

**A. John-** Continue to assist ECA representatives from City and County plan for spring ECA meeting in Carlsbad from May 4-6. We will be hosting one of the evening dinner meetings. There will be people here from across the Weapons Complex visiting Carlsbad and WIPP.

**B. John-** In the legislature, CDOD staff and members assisted the City and ELEA members in expressing opposition to HB127 and SB54, which would have both banned our consolidated interim storage facility that we have been working on with our local government partners and the LCEDC for over 16 years. Both bills died in committee and did not make it to the floor for a vote. Thanks to those CDOD members that joined us in the hearings and provided written opposition to the committee chairs.

## VI. RETAIL/RESTAURANTS/ENTERTAINMENT/HOSPITALITY

**A. Jeff –** Project Dumbbell is back in play. I have seen the plans for the site that has been selected and the opening, pending construction, will be later in 2022. I first began working on this project back in 2020, before the COVID pandemic. I assisted them with an analysis of gross receipts taxes for the Carlsbad market compared to other markets where they already operate, as well as provided them with market data and various sites to explore. They have asked us to keep all details quiet until they can make ‘Coming Soon’ announcements themselves.

**B. Jeff** – Project Tender has really gotten active in the last several weeks. They have been looking at Carlsbad for a while, but recently stepped-up efforts. I provided them with six different locations that fit the site criteria they supplied. I verified all sites with either brokers or owners and then their representatives reached out and asked me if they could talk directly to the owners/brokers. They informed me that all of the sites I found were great and could work. They are working with an appraiser on a potential deal with one of the leads I provided, and said they would keep me posted.

**C. Jeff** – A broker out of Albuquerque called me asking to find them a 1-acre site for a nationally branded chain quick serve restaurant. I sent him several sites that fit their criteria, some the same as Project Tender. He had some questions related to the setback along Pierce street to which I referred him to the city planning department.

**D. Jeff** – The same broker working on Project Tender informed me that he has another entity that he feels would do very well here in Carlsbad. He said that the site package I sent could also work for that chain, but he is trying to get Project Tender going first. This separate business is Project Kicker.

**E. Jeff** – As mentioned above, we met with developers of Carlston Ranch and their local brokers for the property. They are ready to pull the trigger on development. They have water and electricity at the property. They informed me that the city has agreed to allow the use of septic tanks or a packaging plant on the property until such time as actual sewer is available. There are plans to bring sewer to the property possibly within 18 to 24 months. Carlston Ranch is going to be building in sewer connects to their properties so that they can tie in once sewer is available. They have a local broker working on industrial and commercial projects here, as well as a brokerage out of Albuquerque working on residential developments. They will be providing us with marketing collateral moving forward.

**F. Jeff** – Project Gizmo, as I have been previously reporting on, is now O'Reilly Auto Parts. The chain has begun construction on a second location, located on the southwest corner of National Parks Highway and Pecan. We have been working with the developers out of Albuquerque on this for nearly two years and found them this location. I have previously sent them our CDOD preferred contractors list as well.

**G. Jeff** – After working with a particular retailer on and off for the past 12 years, it is looking increasingly likely that they have decided to locate in Carlsbad. This is Project Ration, and they have tentatively selected a location. They did say they could begin construction soon and hope to be open by July of this year. They have been provided with the CDOD contractors list as well.

**H. Jeff** – After meeting with brokers from Albuquerque, a possible big impact development was discussed. This is something I had worked on previously with different brokers, providing market information and property locations for. I have also reached out and developed relationships with some of the interested retail entities. When it comes to fruition, it will provide huge retail implications for the economy. This is Project Whale.

**I. Jeff** – Met with the district sales team for Sysco. Sysco is the global leader in selling, marketing and distributing food and non-food products to restaurants, healthcare and educational facilities, lodging establishments and other customers around the world. We discussed the local market, and they informed me that they would put in a good word to a restaurant I have been courting for several years. This restaurant would definitely fill in a gap in our dining options in Carlsbad. They currently have locations in neighboring markets of Hobbs and Roswell.

**J. Jeff** – I received an inquiry from yet another broker out of Albuquerque. They were looking for any vacant fast food restaurant buildings or buildings that could be converted into a fast-food restaurant. I provided him with one property that would be a good, quick fit. He will let me know what their client thinks and we will proceed from that point. Once this progresses it will receive a project name.

**K. Jeff** – We will be attending the ICSC Red River show, March 30 – April 1, 2022, in Dallas, TX. This has been delayed from the previous dates in February due to COVID concerns. We have a booth reserved, and in the coming weeks we will begin setting up meetings while at the show.

## **VII. AVIATION**

**A. John**- Still talking with Project New Air, a national aircraft manufacturing company that is developing a cross country route for rechargeable aircraft. Still hoping to meet with City leadership to discuss this project soon and any problems or concerns they have about it.

## **VIII. ADMINISTRATION**

**A. Jeff** – We are eligible for a free website update/redesign as part of our contract with Golden Shovel. We will begin exploring this in the coming weeks. If you have seen anything you'd like changed, or see a need for any functional improvement for the CDOD website, please let me know so we can look into it.

**B. Jeff** – The application period for American Rescue Plan Act grants through Eddy County is open until April 30, 2022 by 5 PM. Marketing efforts are well underway across various forms of media. The applications and instructions can be found on the CDOD website at this address: <https://www.developcarlsbad.org/business/grant-program>

**C. John**- Attended a training by the NM Partnerships on responding to Potential Recruitment Opportunities that they send out from time to time.

**D. John**- We have been taking a number of calls and visits from potential applicants for the ARPA grant program. I have personally spoken with 18 interested businesses from Artesia, Carlsbad, and Loco Hills about the application.

**E. John**- Attended Audit Exit Meeting with David Fritschy and members of the Executive Board.

**F. John**- Hosted a Bat Brigade meeting with the Secretary of Economic Development Department and attended five other cabinet meetings during legislature this month.

**G. John**- Met with Congresswoman Yvette Herrell in Carlsbad to discuss community outlook and needs from Washington.

**H. John**- Met with the SENMEDD (Regional COG) about the region's COVID response plan. I pointed out to the group that they failed to include nuclear and WIPP in their Eddy County assessment for major industries in our county.

**I. John**- Began working on the budget and budget requests for this upcoming year. Will be sending a draft request to Executive Board this month prior to sending to County and City.